



10100 Trinity Parkway, Suite 100, Stockton, CA 95219

SJ Health Board of Directors Agenda

Wednesday December 28, 2022, 5:00 p.m.

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Conference ID: 463 229 309#

- | | | |
|--|---|------------------|
| 1. Call to Order & Establish Quorum | | Rod Place |
| a. Call to Order & Establish Quorum | | |
| b. SJ Health Board of Director's Attendance Record (Nov 2022) | | |
| 2. Consent Agenda | * | Rod Place |
| a. Approval of Minutes SJ Health Board Meeting from 11/29/2022 | | |
| 3. Public Comment (3 minutes/speaker) | | General Public |
| 4. Credentialing & Privileging Report | * | Marlene Martinez |
| 5. Presentation of November Financials | * | Kris Zuniga |
| 6. Legislative Update and Grant Update | | Jeff Slater |
| 7. Board Training (Board Authority) | | Susan Thorner |
| 8. CEO Report | | Farhan Fadoo |
| 9. Adjournment of Board Meeting | | Rod Place |

***Action Item**

Next Meeting Date: January 31, 2022 @ 5:00 P.M.
Microsoft Teams Meeting

Note: If you need disability-related modification or accommodation to participate in this meeting, please contact San Joaquin Health Centers at (209) 953-3711 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a) - materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection by contacting SJ Health Clinic Administration at 10100 Trinity Parkway, Suite 100, Stockton, CA 95219 during normal business hours.



SJ HEALTH BOARD OF DIRECTORS ATTENDANCE RECORD 2022

2022 Full Board Meeting Dates

Member Name	Patient? Yes / No	Joined Board	1/25/22	2/23/22	3/29/22	4/26/22	5/31/22	6/28/22	7/26/22	8/30/22	9/27/22	10/25/22	11/29/22	12/28/22
Antigua, Paul	Yes	2021	AE	P	P	P	AU	AE						
Chang, Charson MD	Yes	2021	P	P	P	P	P	P						
Fuentes, Monica	No	2021	AU	P	P	P	P	P	AU	AU	AU	P	P	
Heck, Brian	Yes	2019	P	P	P	P	P	P	P	P	P	P	P	
Hernandez, Jessica	Yes	2021	P	P	P	P	P	P	AU	AE	AU	AU	AE	
King, Cynthia	No	2021	P	P	AE	P	P	P	AE	P	P	P	P	
Lee, Karen	No	2021	P	P	P	P	P	P	P	P	P	P	P	
Medina, Esgardo	Yes	2020	P	P	P	AU	AU	AE	AU	AU	P	AU	P	
Monks, Samantha	No	2022									P	P	P	
Moreno, Jodie	No	2022				P	P	P	AE	P	P	P	P	
Place, Rod	Yes	2010	P	P	P	P	P	P	P	P	AE	AE	P	
Pua, Bernadette	No	2021	AU	P	AU	P	P	AE	P	AE	AU	P	P	
Shinn, Kristin	No	2022						P	P	P	P	P	AE	
Taylor-Godfrey, Tarsha	No	2022					P	P	P	P	P	P	P	

CODE P = Present

Code AE = Absence Excused

CODE AU = Absence Unexcused

Minutes of November 29, 2022

San Joaquin Health Centers Board of Directors

Board Members Present: Dr. Farhan Fadoo (CEO); Monica Fuentes; Brian Heck (Vice Chair); Cynthia King; Karen Lee; Esgardo Medina; Samantha Monks; Jodie Moreno; Rod Place (Board Chair); Bernadette Pua; Tarsha Taylor-Godfrey

Excused Absent: Jessica Hernandez; Kristin Shinn

Unexcused Absent: none

SJHC Staff: Michael Allen; Angela Ayala; Mary-Lou Milabu; Barbara Kissinger-Santos; Jeff Slater; Alice Souligne; Kris Zuniga
Guests:

AGENDA ITEM	ATTACHMENTS	ACTION
1. <u>Call to Order (Rod Place)</u> The meeting was called to order at 5:08 p.m. A quorum was established for today's meeting.	2022 Board Member Attendance	No action required
2. <u>Approval of Consent Agenda (Rod Place)</u> The following items were approved under the consent agenda for October 2022: a. Board Minutes from 10/25/22 b. Meeting Date Changes for 2023 i. Quality & Finance on 5/22 ii. Quality & Finance on 7/24; Board meeting on 7/25 iii. Quality & Finance on 10/23; Board meeting on 10/24 iv. Quality & Finance on 12/18; Board meeting on 12/19	Board Minutes 2022-10-25	Cynthia motioned to approve the consent agenda and Monica seconded; motion was approved unanimously
3. <u>Public Comment</u> none	No attachment	No action required
4. <u>Credentialing & Privileging Report (Angela Ayala)</u> Initial appointments are Deborah Battaglia, MD; Clayton Benson, MD; Harry Point Du Jour, NP Resignations are Janani Sankaran, MD	2022-November-Credentialing-Packet	Jodie motioned to approve the credentialing report and Tarsha seconded; motion was approved unanimously Cynthia motioned to approve the privileging report and Jodie seconded; motion was approved unanimously
5. <u>Clinical Quality Report (Angela Ayala)</u> Two additional support staff added for outreach efforts, including Mary-Lou Milabu. Gap closure has been the area of greatest focus, including Thursday pap clinics. Team engagement efforts include monthly quality improvement sessions, addition of Cologuard colon cancer screening, and 1:1 clinician education. Overall performance updates for HEDIS scores show positive movement in all metrics except Timeliness of Prenatal Care; this is an area of opportunity we are currently working on.	Quarterly Quality Report	Cynthia motioned to accept the quarterly quality report and Brian seconded; motion was passed unanimously

<p>Significant improvement in patient satisfaction scores, including an increase in positive comments from 52.5% in August to 61.1%.</p>		
<p>6. Presentation of Financials (Kris Zuniga)</p> <p>Billable visits for October were under budget by 508 resulting in a Net Patient Service Revenue actual-to-budget unfavorable variance of \$96,590.</p> <p>Supplemental Revenue was under budget by \$176,458 in the month of October due to a YTD adjustment of \$202,321 based on the most current information received on QIP distribution.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$4,879,729. Combined Grants Revenue includes revenues for Behavioral Health Integration, Discovery Challenge Academy, SOR2, Enhanced Care Management and American Rescue Plan (ARP) grants for \$2,010,421. Also, YTD grant revenues are higher than budget due to the recognition of American Rescue Plan (ARP) grant revenue for \$765,299 for activity related to January 2021 through June 2021 period in July. Capitation and Managed Care Incentives are trending higher than budget with a favorable variance of \$82,701. MOU and other income include YTD rent revenue from SJGH for \$47,130 related to the Manteca clinic respectively offset by rent expense as recommended by the auditors. Total YTD Operating Revenue is favorable to budget by \$928,664.</p> <p>YTD Salaries and benefits expenses exhibit a favorable variance to budget by \$1,525,113 mostly due to lower than budget salaries and benefits for SJGH providers and employees providing services for the clinics. Other operating expenses exhibit an unfavorable variance of \$1,856,608 largely due to Purchased Services with a favorable variance of \$273,769 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest, Depreciation, and Other Expenses for \$2,130,378. An estimated expense for the Purchased Services is recorded from July through October based on the MOU. Total YTD expenditures are unfavorable to budget by \$331,495.</p> <p>Unaudited, as presented, Net Income of \$902,962 on a year-to-date basis is favorable compared to budget by \$597,169 PFS payment issues update: EMMI has now access to the payment information needed to post payments to patients' accounts. Days in AR expected to decrease.</p> <p>October cash balance decreased by \$2,147,631 The negative change is mostly due to reimbursement paid to the county for three September payroll periods and prior months' SST payments were processed in October, along with AP payments higher than average in October. Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 6% against a goal of >3%, Bottom Line Margin at 6% against a goal of >3%, Days Cash on Hand at 58 against a goal of >45 days, Days in Net Patient</p>	<p>CFO Presentation – 2022-10; Finance Narrative – 2022-10</p>	<p>Cynthia motioned to approve the financial report and Brian seconded; motion was approved unanimously</p>

Receivables at 41 against a goal of <60 days, and Personnel-Related Expenses at 69% against a goal of <70%.		
7. <u>Legislative Update & Grant Proposal Approvals (Farhan Fadoo)</u> Summary of last several months' worth of approved grants was presented. Total grants awards during this period are \$1,945,298. <ul style="list-style-type: none"> Exact Sciences (colorectal cancer screening) for \$75,000 CDPH (COVID-19 Test-to-Treat program) for \$999,958 Kaiser (mobile health services support) for \$200,000 HPSJ (HEDIS measure gap closures) for \$130,613 Heluna Health (Pregnancy Connections support) for \$108,105 Public Health Institute (ACES screenings) for \$431,622 <p>Request to accept a retroactive grant application to CDPH for reimbursement of Monkeypox vaccine administration & outreach for up to \$21,578 during the period of 7/1/22 – 6/30/23 was approved unanimously.</p>	November 29 – Grants Update; MPVX – Retroactive Board Approval 112922	Jodie motioned to retroactively approve the Monkeypox vaccine grant and Bernadette seconded; motion was approved unanimously
8. <u>Board Training (Susan Thorner)</u> Board training focused on "Required & Additional Services," including understanding BPHC's requirements, the significance of Form 5A, how services may be provided, what is required/additional/specialty, and what needs to be documented.	Board Training on Required & Additional Services_11292022	No action required
9. <u>CEO Report (Farhan Fadoo)</u> Connect2Care emergency on-demand telehealth resource successfully soft-launched on 11/1, with scaled rollout to follow. SJ Health Manteca Clinic on track to open very soon, likely mid-December. SJ Health Lodi Clinic site identified and architectural design work is underway, pursuant to lease terms. Grant funding requires us to open clinic for service by October 2023. QIP PY5 is in the last quarter and we are working to end strong. Concessions proposal is being advanced to CAPH/SNI. Awaiting DHCS response regarding recognition to be able to bill PPS rates for mobile clinic services. Direct SJ Health employment is being paused until some details have been worked out with SJ County HR. Strategic plan progress was reviewed, with 38 of 74 projects now complete.	CEO Report 11292022	No action required

10. Adjournment (Rod Place)

There being no further topics of discussion, Rod Place adjourned the meeting at 6:11 p.m.

No attachments

No action required



**INITIAL APPOINTMENTS
DECEMBER 2022**

The following practitioners have applied for membership and privileges at San Joaquin Health Centers. The following summary includes factors that determine membership: licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Factors that determine competency include medical/professional education, internship/residencies/fellowships, board certification (if applicable), current and previous institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. The applicants meet the requirements for membership unless noted below.

Membership Request	Name	Specialty/ Assigned Div/Dept	Competency / Privilege Review	Proctoring Required	Proctor	Rec Status/Term	Recommend	Credentialing Dept
Initial	Jerry Fessler, MD	Family Medicine	Graduated: Loma Linda University: 1973 Internship: White Memorial Medical Center: 1975 Residency: Glendale Adventist Medical Center: 1977 Board Certified: ABMS in Family Medicine	Y	Rowe	Provisional	CRED: 12/06/2022 MEC: 12/20/2022 Board: 01/10/2023	SJGH Med Staff
Initial	David Birdsall, MD	Internal Medicine Emergency Medicine	Graduated: Tulane University School of Medicine: 1994 Residency: University of California, Davis: 1998, 2001 Board Certified: ABIM Internal Medicine	N	N/A	Provisional	CRED: 12/13/2022 CC: 12/16/2022 Board: 12/28/2022	CVO

**REAPPOINTMENTS
DECEMBER 2022**

The following practitioners have applied for reappointment to the Medical Staff of San Joaquin Health Centers. This summary includes factors that determine membership: licensure, DEA, professional liability insurance, hospital affiliations, etc. Qualitative/quantitative factors include ongoing performance evaluation which includes data from peer review, quality performance, clinical activity, privileges, competence, technical skill, behavior, health status, medical records, blood review, medication usage, litigation history, utilization and continuity of care. Affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. All the applicants privilege request commensurate with training, experience and current competence unless noted below.

Membership Request	Name	Specialty/ Assigned Div/Dept	Quantitative/Qualitative Factors Request for Privileges and/or Privilege Change	Action Taken/Rec. Exceptions for Cause	Rec. Staff Category/ Reappoint Period	Recommend	Credentialing Dept
Reappointment	Robert Assibey, MD	Family Medicine	Requirements for Active Staff Met	None	Active 02/23 to 02/25	Cred: 12/06/2022 MEC: 12/20/2022 Board: 01/10/2023	SJGH Med Staff
Reappointment	Sabhrup Biring, MD	Family Medicine	Requirements for Active Staff Met	None	Active 12/22 to 12/24	Cred: 10/04/2022 MEC: 10/18/2022 Board: 11/08/2022	SJGH Med Staff
Reappointment	Ala Elayyan, MD	Pediatrics	Requirements for Active Staff Met	None	Active 12/22 to 12/24	Cred: 10/04/2022 MEC: 10/18/2022 Board: 11/08/2022	SJGH Med Staff
Reappointment	Meena Srai, MD	Internal Medicine	Requirements for Active Staff Met	None	Active 12/22 to 12/24	Cred: 10/04/2022 MEC: 10/18/2022 Board: 11/08/2022	SJGH Med Staff
Reappointment	Maureen Abaray, NP	Nurse Practitioner Family Medicine	Requirements for AHP Staff Met	None	Active 12/22 to 12/24	CIDP: 10/07/2022 Cred: 10/04/2022 MEC: 10/18/2022 Board: 11/08/2022	SJGH Med Staff
Reappointment	Sherri Helsby, LCSW	Licensed Clinical Social Worker	Requirements for AHP Staff Met	None	Active 02/23 to 02/25	CIDP: 12/02/2022 Cred: 12/06/2022 MEC: 12/20/2022 Board: 01/10/2023	SJGH Med Staff

RESIGNATIONS
JULY 2022

Name	Reason for Resignation:	Effective Date of Resignation
Jun Paz, NP	Transfer	12/21/2022 Tentative

David Birdsall, MD _____ is being considered for appointment as follows:

- Licensed Independent Practitioner (LIP)
- Initial Appointment – Provisional Status – appointment for one year requiring proctoring.
- Privileges as outlined in the privileges request form.

CREDENTIALS VERIFICATION ORGANIZATION: The practitioner's application, supporting documentation, department chairperson's report and other information available has been reviewed by the Credentials Verification Organization (CVO) and it is our recommendation that the practitioner be granted appointment and clinical privileges. Documentation supporting this recommendation is stored and found in the CVO's centralized compliance platform (www.hipaawatchdog.com) as of:

12/13/2022

CREDENTIALING SPECIALIST RECOMMENDATION: I have reviewed the application and supporting documents including, but not limited to: license, health status, clinical privileges and scope of service requested by this practitioner and based on medical/clinical knowledge, technical and clinical skills, clinical judgment, interpersonal skills, communication skills and professionalism, current competency as evidenced by results of quality assessment, training, experience, peer references, character, and/or my personal knowledge. The Quality Performance file and attached summaries of the practitioner listed have been reviewed and an evaluation completed as applicable. Any decision made was not based on race, ethnic/national identity, gender, age, or sexual orientation.

☒ **RECOMMEND** appointment/reappointment/ additional privilege(s) for this practitioner and if applicable, appointment to the category requested unless otherwise indicated.

☐ am **UNABLE TO RECOMMEND** as set forth in the attached document (i.e. letter, outline etc).

Angela R. Ayala

Signature, Credentialing Specialist

12/14/2022

Date

CREDENTIALING COMMITTEE RECOMMENDATION: The Chief Medical Officer and Credentialing Committee have reviewed the reports, supporting documentation and recommendations of the CVO/Credentialing Specialist regarding this practitioner and makes the following recommendation to the Governing Board.

☒ **RECOMMENDED** as forwarded

☐ **RECOMMENDED** with modification: _____

☐ **RECOMMEND DENYING** request for the following reason(s): _____

This action was taken by the Credentialing Committee and is documented in the minutes of: 12/16/2022

GOVERNING BOARD ACTION: The findings and recommendations of the Department Chairperson and Medical Executive Committee have been reviewed by the Governing Board with the following action:

☐ **APPROVED** appointment/reappointment to the requested staff category and clinical privileges or additional privilege (s) as recommended.

☐ **APPROVED** appointment/reappointment/additional privilege(s) with modification as indicated in the attached:

☐ **DENIED** appointment/reappointment and/or clinical privileges for the reasons set forth in the attached.

This action was taken by the Governing Board and is documented in the minutes of: _____

Reappointment Expiration Date: _____

SAN JOAQUIN HEALTH CENTERS CFO PRESENTATION

Kris Zuniga
Chief Financial Officer
Presentation Date: 12/27/2022

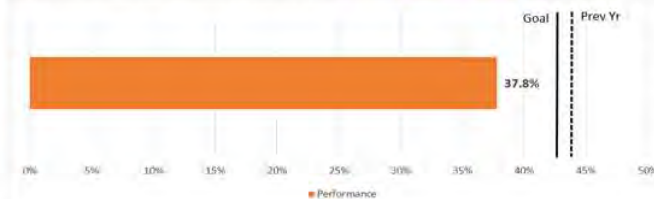


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- Capital Link: Key Financial Metrics
- Capital Link: FQHC Benchmarks Vs SJ Health

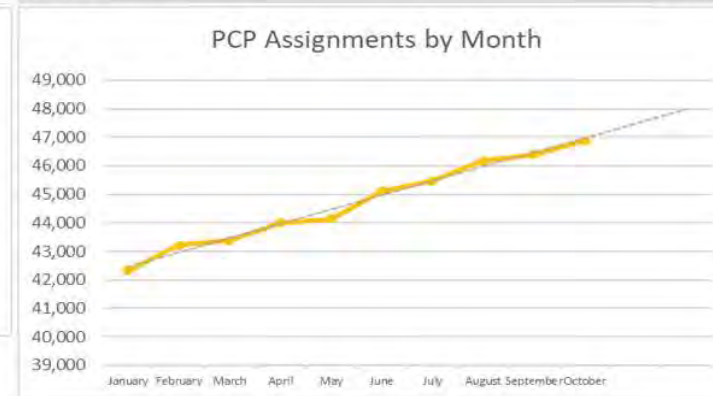
Health Plan of San Joaquin Membership Assignments Calendar YTD As Of November 2022

San Joaquin Health Centers					
Year	Panel Size	Panel Seen	Goal	% Goal	Performance
2021	40,852	18,141	19,227	47.07%	44.41%
2022	44,839	16,954	19,281	43.00%	37.8%



Average Submission Lag: 7.7 Days

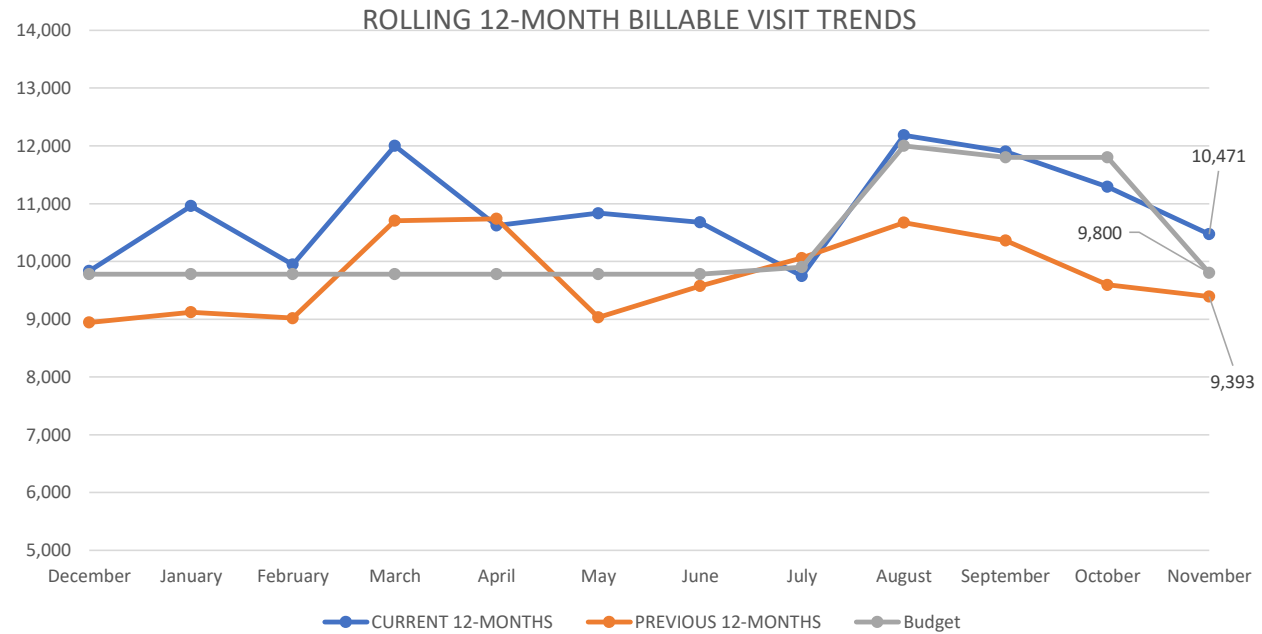
Panel Metrics for San Joaquin Health Centers	
Average Panel Size	44,839
Current Month Panel Size	46,697
Calendar YTD Panel Seen Count	16,954
Calendar YTD % Panel Seen	37.8%
Goal to Panel Seen Count	19,281
PCP Claim Count	59,557



Reported by: SJCC Finance Department

Source: HPSJ Capitation Files August 2022, EMMI Inception Report EOM November 2022
As of 12/08/2022

NOVEMBER 2022 BILLABLE VISITS – 10,471



Visits By Financial Class	%
Medi-Cal Managed Care	76.57%
Medicare	11.38%
Medi-Cal	9.50%
Self-Pay	1.45%
Commerical	1.11%
Total	100.00%

FY23 Month	Actual	Budget	Variance
Jul-22	9,749	9,900	(151)
Aug-22	12,183	12,000	183
Sep-22	11,900	11,800	100
Oct-22	11,292	11,800	(508)
Nov-22	10,471	9,800	671
Total	55,595	55,300	295

SJ HEALTH INCOME STATEMENT - NOVEMBER 2022

	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenue						
Net Patient Service Revenue	1,511,411	1,392,985	118,426	8,099,259	8,207,841	(108,582)
Supplemental Revenue	867,812	1,214,301	(346,488)	5,747,541	5,860,027	(112,486)
Capitation & Managed Care Incentives	535,220	511,311	23,909	2,663,166	2,556,556	106,610
Grant Revenue	644,829	305,165	339,664	2,655,250	1,525,827	1,129,424
340B Pharmacy Program	108,179	117,731	(9,552)	580,742	588,653	(7,911)
MOU & Other Income	60,783	64,869	(4,086)	367,826	324,344	43,481
Total Operating Revenue	<u>3,728,234</u>	<u>3,606,362</u>	<u>121,872</u>	<u>20,113,783</u>	<u>19,063,247</u>	<u>1,050,536</u>
Expenditures						
Salaries & Wages	846,648	1,765,010	918,362	6,872,538	8,825,052	1,952,515
Employee Benefits	527,237	867,737	340,499	3,507,223	4,338,683	831,460
Professional Fees	389,355	212,464	(176,891)	1,934,803	1,062,321	(872,482)
Purchased Services	493,169	556,741	63,572	2,446,362	2,783,703	337,341
Supplies	84,673	81,165	(3,507)	527,683	405,827	(121,855)
Depreciation	28,255	23,268	(4,987)	142,289	116,340	(25,949)
Interest	25,892	21,074	(4,819)	129,971	105,368	(24,603)
Other Expenses	<u>1,168,029</u>	<u>260,314</u>	<u>(907,715)</u>	<u>3,484,979</u>	<u>1,301,571</u>	<u>(2,183,408)</u>
Total Expenditures	<u>3,563,259</u>	<u>3,787,773</u>	<u>224,514</u>	<u>19,045,847</u>	<u>18,938,866</u>	<u>(106,981)</u>
Net Income(Loss)	<u>164,975</u>	<u>(181,411)</u>	<u>346,386</u>	<u>1,067,937</u>	<u>124,382</u>	<u>943,555</u>

SJ HEALTH BALANCE SHEET- NOVEMBER 2022

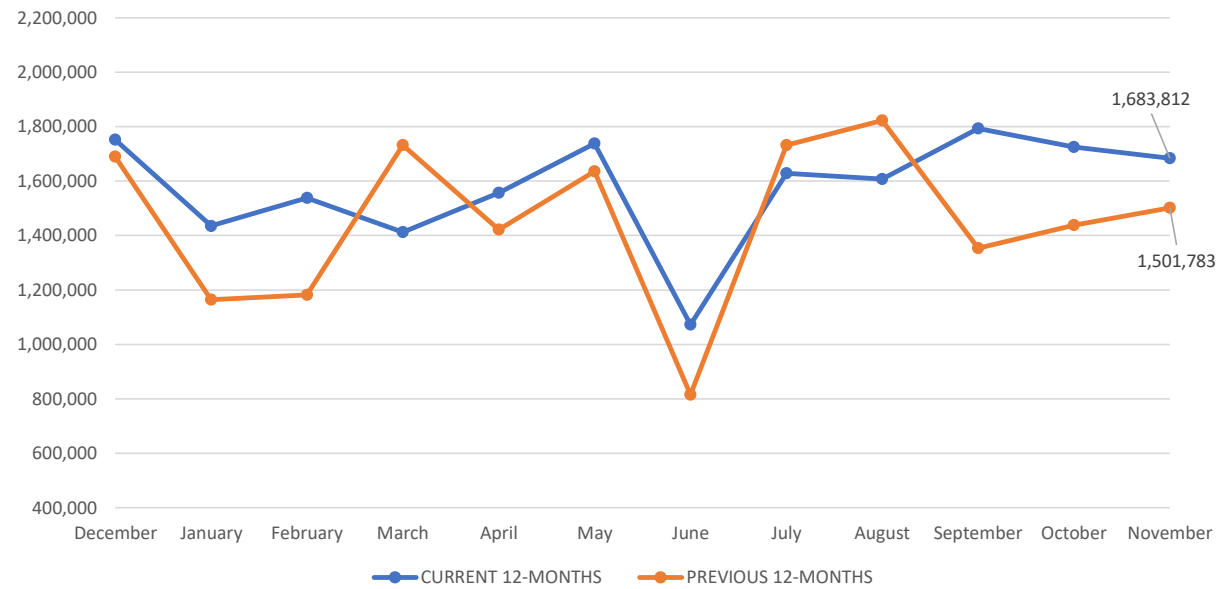
	<u>PERIOD 0</u>	<u>QTR 1 FY23</u>	<u>OCTOBER FY23</u>	<u>NOVEMBER FY23</u>
Assets				
Cash & Cash Equivalents	6,122,406	9,408,162	7,259,531	7,128,086
Accounts Receivable	2,345,615	2,355,542	2,279,613	2,132,212
Property & Equipment	2,104,304	2,468,901	2,552,083	2,724,528
Other Assets	<u>19,967,448</u>	<u>20,684,500</u>	<u>21,087,046</u>	<u>21,535,941</u>
Total Assets	<u>30,539,773</u>	<u>34,917,104</u>	<u>33,178,273</u>	<u>33,520,766</u>
Liabilities				
Accounts Payable	387,017	447,975	159,678	403,125
Other Liabilities	11,943,954	14,083,736	12,291,267	11,294,725
Deferred Revenue	<u>3,111,552</u>	<u>4,626,115</u>	<u>4,727,115</u>	<u>5,657,728</u>
Total Liabilities	<u>15,442,522</u>	<u>19,157,826</u>	<u>16,968,908</u>	<u>17,355,578</u>
Net Assets				
Beginning Net Assets	12,060,224	15,097,251	15,097,251	15,097,251
Current YTD Net Income	<u>3,037,027</u>	<u>662,027</u>	<u>902,962</u>	<u>1,067,937</u>
Total Net Assets	<u>15,097,251</u>	<u>15,759,279</u>	<u>16,209,365</u>	<u>16,165,188</u>
Total Liabilities and Net Assets	<u>30,539,773</u>	<u>34,917,104</u>	<u>33,178,273</u>	<u>33,520,766</u>

**SJ HEALTH BILLING & COLLECTIONS
A/R AGING - NOVEMBER 2022**

SJ Health Centers Accounts Receivable Aging Analysis For the Month of November 2022								
Aging Category	MediCare	MediCal	Commercial	Self Pay	Total Aging This Month	Total Aging Last Month	\$ Increase (Decrease)	% Increase (Decrease)
1-30 Days	201,272	1,669,280	30,170	14,858	1,915,580	2,267,781	(352,202)	-15.53%
31-60 Days	124,053	492,204	36,766	10,240	663,262	465,892	197,370	42.36%
61-90 Days	103,413	213,438	25,264	11,085	353,200	406,728	(53,529)	-13.16%
91-120 Days	61,083	153,294	20,621	10,401	245,399	266,527	(21,128)	-7.93%
121-180 Days	62,187	136,524	35,526	6,047	240,284	436,326	(196,042)	-44.93%
181-240 Days	35,590	110,019	36,395	3,752	185,757	393,092	(207,335)	-52.74%
241-270 Days	48,975	33,450	16,730	1,688	100,843	94,872	5,971	6.29%
271-365 Days	58,480	19,717	7,685	1,043	86,925	141,155	(54,230)	-38.42%
366 Days & Over	62,508	9,889	42,404	241	115,042	127,344	(12,302)	-9.66%
	19%	73%	6%	2%				
Total FC This Month	757,561	2,837,814	251,562	59,355	3,906,292	4,599,719	(693,427)	-15.08%
Total FC Last Month	1,136,338	3,156,019	257,392	49,970	4,599,719			
\$ Increase (Decrease)	(378,776)	(318,205)	(5,830)	9,385	(693,427)			
% Increase (Decrease)	-33.33%	-10.08%	-2.27%	18.78%	-15.08%			
Monthly Management Summary								
	Beginning	Charges	Payments	Adjustments	Ending Gross			
November Activity	4,599,719	2,792,218	(1,683,812)	(1,801,833)	3,906,292			
A/R Days Analysis								
	November	October	September	August	July	June	May	Increase (Decrease)
Gross A/R Days	37	43	45	50	48	46	34	(7)
Net A/R	2,132,212	2,279,613	2,249,883	2,284,006	2,085,467	2,239,955	1,725,999	(147,401)
Net A/R Days	37	41	41	49	43	47	33	(4)

NOVEMBER 2022 EMMI PAYMENTS POSTED - \$1,683,812

ROLLING 12-MONTH TRENDS - CASH COLLECTED

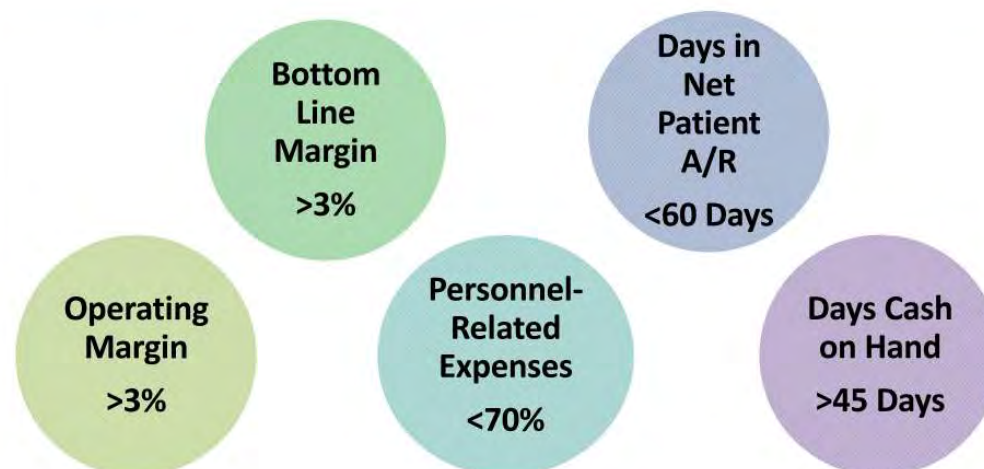


FY23 Collections by Financial Class	%
Medi-Cal Managed Care	80.56%
Medi-Cal	13.42%
Medicare	5.33%
Commercial	0.38%
Self-Pay	0.31%
Total	100.00%

SJ Health HRSA Financial Metrics

Financial Metric	FY2021	FY2022	FYTD2023
Cummulative Cost Per Unique Patient	1,098	1,315	936
Medical Cost per Medical Visit	274	309	344

Key Financial Metrics: Capital Link Industry Guidelines



CAPITAL LINK FQHC FINANCIAL BENCHMARKS VS SJ HEALTH

DATA SUMMARY	Capital Link Target	SJ HEALTH FYTD FY23
FINANCIAL HEALTH		
1 Operating Margin As a % of Operating Revenue	>3%	5%
2 Bottom Line Margin As a % of Operating Revenue	>3%	5%
3 Days Cash on Hand	>45 Days	58
4 Days in Net Patient Receivables	<60 Days	37
5 Personnel-Related Expense (PRE) As a % of Operating Revenue	<70	64%

QUESTIONS & ANSWERS





San Joaquin Health Centers
Financial Statement Comments

November 2022

Summary of Clinics Year to Date

Billable visits for November are favorable to budget by 671. Net Patient Service Revenues for November are favorable to budget by \$118,426.

YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$5,747,541. Based on the most recent information received on the QIP distribution, YTD financials include adjustments for \$182,089 for July through September 2022 and \$352,120 for January through June 2021 respectively. Combined Grants Revenue includes revenues for Behavioral Health Integration, Discovery Challenge Academy, SOR2, Enhanced Care Management and American Rescue Plan (ARP) grants for \$2,655,250. Also, YTD grant revenues are higher than budget due to the recognition of American Rescue Plan (ARP) grant revenue for \$765,299 for activity related to January 2021 through June 2021 period in July. Capitation and Managed Care Incentives are trending higher than budget with a favorable variance of \$106,610. YTD Other Revenue includes revenues accrued for \$283,276 related to Purchased Services provided to SJGH by SJCC per the MOU and Interest Income of \$25,306. Also, MOU and other income include YTD rent revenue from SJGH for \$59,044 related to the Manteca clinic respectively offset by rent expense as recommended by the auditors. Total YTD Operating Revenue is favorable to budget by \$1,050,536.

YTD Salaries and benefits expenses exhibit a favorable variance to budget by \$2,783,975 mostly due to lower than budgeted salaries and benefits for SJGH providers and employees providing services for the clinics. Also, Salaries and Benefits expenses are low due to YTD adjustment recorded in November to true up the payroll liabilities. Other operating expenses exhibit an unfavorable variance of \$2,890,956 largely due to Purchased Services with a favorable variance of 337,341 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest, Depreciation, and Other Expenses for \$3,228,297. An estimated expense for the Purchased Services is recorded from July through November based on the MOU. Total YTD expenditures are unfavorable to budget by \$106,981.

Unaudited, as presented, Net Income of \$1,067,937 on a year-to-date basis is favorable compared to budget by \$943,555.

PFS payment issues update: EMMI now has access to the payment information needed to post the payments to patients' accounts, which has resulted in the decline in AR days.

Additional Factors Impacting Clinic Performance Presentation

- Supplemental revenues are estimates based on historic performance and statewide pool amounts for the California Department of Public Health Quality Incentive Pool Program.
- FY23 Balance Sheet incorporates the final results for FY21 per the financial statement audit.



**San Joaquin Health Centers
Board of Directors Meeting
December 28, 2022**

**GRANTS UPDATE
Jeff Slater**

SJ Health has continued its success in receiving grant funding/contributions during the last month. The table below provides a brief summary of the funding SJ Health was awarded in the last month.

These funds were awarded to SJ Health without the submission of a formal grant proposal, but they are fully aligned with SJ Health's mission of improving the health and well-being of San Joaquin County's diverse population.

Funder	Purpose	Grant Award	Grant Period	Project Lead
HRSA	To increase access to, confidence in, and demand for updated COVID-19 vaccines	\$319, 378	Dec. 1, 2022 – May 31, 2023	Joan Singson
Library and Literacy Foundation of San Joaquin	To purchase books for distribution to pediatric patients by their pediatricians	\$2,600	Dec. 6, 2022 – Dec. 5, 2023	Ala Elayyan, MD.
Sunlight Giving	To support the reopening of the Manteca Health Center and the addition of dental services	\$175,000	Dec. 9, 2022 – Dec. 8, 2023	Alice Soulligne
TOTAL		\$496,978		

San Joaquin Health Board Authority

**Susan Thorner, MHSA
Training Resources Network, Inc.
December 2022**

Disclaimer

- ▶ This information & materials presented during this training session are provided for general informational purposes only & are not intended to be legal advice. Nothing in this training is intended to substitute for the advice of an attorney. If you require legal advice, please consult with an attorney.

Learning Objectives

- ▶ To understand BPHC's requirements re Board authority &
- ▶ What needs to be documented.

BPHC Requirements re Board Authority

- The health center must establish a governing board² that has specific responsibility for oversight of the Health Center Program project.
- For public agencies that elect to have a [co-applicant](#), these authorities and functions apply to the co-applicant board.
- The health center governing board must develop bylaws which specify board responsibilities.
- The health center governing board must assure that the center is operated in compliance with applicable Federal, State, & local laws & regulations.
- The health center governing board must hold monthly meetings & record in meeting minutes the board's attendance, key actions & decisions. Per HRSA, monthly meetings may be conducted by telephone or other means of electronic communication where all parties can both listen & speak to all other parties. **Exception: the Brown Act.**
- The health center governing board must approve the selection & termination/dismissal of the health center's Project Director/Chief Executive Officer (CEO).

BPHC Requirements re Board Authority

- The health center governing board must have authority for establishing or adopting policies for the conduct of the Health Center Program project & for updating these policies when needed. Specifically, the health center governing board must have authority for:
 - Adopting **policies for financial management** practices & a system to ensure accountability for center resources (unless already established by the public agency as the [Federal award](#) or designation recipient), including periodically reviewing the financial status of the health center & the results of the annual audit to ensure appropriate follow-up actions are taken;
 - Adopting policy for eligibility for services including criteria for partial payment schedules;
 - Establishing & maintaining **general personnel policies** for the health center (unless already established by the public agency as the Federal award or designation recipient), including those addressing selection & dismissal procedures, salary & benefit scales, employee grievance procedures & equal opportunity practices; &
 - Adopting health care policies including quality-of-care audit procedures.

BPHC Requirements re Board Authority

- The health center governing board must adopt health care policies including the:
 - Scope & availability of services to be provided within the Health Center Program project, including decisions to [subaward](#) or [contract](#) for a substantial portion of the services (Form 5A);
 - [Service site](#) location(s) & hours of operation of service sites (Form 5B).
- The health center governing board must review & approve the annual Health Center Program project budget.

BPHC Requirements re Board Authority

- The health center must develop its overall plan for the Health Center Program project under the direction of the governing board.
- The health center governing board must provide direction for long-range planning, including but not limited to identifying health center priorities & adopting a three-year plan for financial management & capital expenditures.
- The health center governing board must assess the achievement of project objectives through evaluation of health center activities, including service utilization patterns, productivity [efficiency & effectiveness] of the center & patient satisfaction.
- The health center governing board must ensure that a process is developed for hearing & resolving patient grievances.

Demonstrating Compliance

A health center would demonstrate compliance with these requirements by fulfilling all of the following:

- a. The health center's organizational structure, articles of incorporation, bylaws & other relevant documents ensure the health center governing board maintains the authority for oversight of the Health Center Program project, specifically:
 - a. The organizational structure & documents do not allow for any other individual, entity or committee (including, but not limited to, an executive committee authorized by the board) to reserve approval authority or have veto power over the health center board with regard to the required authorities & functions;
 - b. In cases where a health center collaborates with other entities in fulfilling the health center's HRSA-approved [scope of project](#), such collaboration or agreements with the other entities do not restrict or infringe upon the health center board's required authorities & functions; &
 - c. For public agencies with a [co-applicant](#) board; the health center has a co-applicant agreement that delegates the required authorities & functions to the co-applicant board & delineates the roles & responsibilities of the public agency & the co-applicant in carrying out the Health Center Program project.

Demonstrating Compliance

The health center's articles of incorporation, bylaws, or other relevant documents outline the following required authorities & responsibilities of the governing board:

- Holding monthly meetings;
- Approving the selection (& termination or dismissal, as appropriate) of the health center's Project Director/CEO;
- Approving the annual Health Center Program project budget & all applications related to the health center scope of project;
- Approving health center services & the location & hours of operation of health center sites;
- Evaluating the performance of the health center;
- Establishing or adopting policy related to the operations of the health center; &
- Assuring the health center operates in compliance with applicable Federal, State & local laws & regulations.

Demonstrating Compliance

- The health center's board minutes & other relevant documents confirm that the board exercises, without restriction, the following authorities & functions: Holding monthly meetings where a quorum is present to ensure the board has the ability to exercise its required authorities & functions;
- Approving the selection, evaluation &, if necessary, the dismissal or termination of the Project Director/CEO from the Health Center Program project;
- Approving applications related to the Health Center Program project, including approving the annual budget, which outlines the proposed uses of both Health Center Program award & non-Federal resources & revenue;
- Approving the Health Center Program project's sites, hours of operation & services, including decisions to subaward or contract for a substantial portion of the health center's services;
- Monitoring the financial status of the health center, including reviewing the results of the annual audit, & ensuring appropriate follow-up actions are taken;

Demonstrating Compliance

- Conducting long-range/strategic planning at least once every three years, which at a minimum addresses financial management & capital expenditure needs; &
- Evaluating the performance of the health center based on quality assurance/quality improvement assessments & other information received from health center management, & ensuring appropriate follow-up actions are taken regarding:
 - Achievement of project objectives;
 - Service utilization patterns;
 - Quality of care;
 - Efficiency & effectiveness of the center; &
 - Patient satisfaction, including addressing any patient grievances.

Demonstrating Compliance

- a. The health center board has adopted, evaluated at least once every three years, &, as needed, approved updates to policies in the following areas: Sliding Fee Discount Program, Quality Improvement/Assurance as well as Billing & Collections.
- b. The health center board has adopted, evaluated at least once every three years, &, as needed, approved updates to policies that support financial management & accounting systems & personnel policies. In cases where a public agency is the recipient of the Health Center Program Federal award or designation & has established a co-applicant structure, the public agency may establish & retain the authority to adopt & approve policies that support financial management & accounting systems & personnel policies.

Related Considerations

- ▶ The following points describe areas where health centers have discretion with respect to decision-making or that may be useful for health centers to consider when implementing these requirements:
- ▶ The health center board determines how to carry out required responsibilities, functions & authorities in areas such as the following:
 - ▶ Whether to establish standing committees, including the number & type of such committees (for example, executive, finance, quality improvement, personnel, planning).
 - ▶ Whether to seek input or assistance from other organizations or subject matter experts (for example, joint committees for health centers that collaborate closely with other organizations, consultants, community leaders).
 - ▶ How often the Project Director/CEO performance is evaluated.

Related Considerations

- The health center determines how to set quorum for board meetings consistent with state, territorial or other applicable law.
- The health center board determines the format of its long-range/strategic planning.
- For public agencies with co-applicant boards, the co-applicant board & the public agency determine how to collaborate in carrying out the Health Center Program project (for example, shared project assessment, public agency participation on board committees, joint preparation of grant applications).

Resources

- ▶ <https://bphc.hrsa.gov/compliance/compliance-manual/chapter19>
- ▶ <https://bphc.hrsa.gov/compliance/site-visits/site-visit-protocol/board-authority>



Questions???

CEO Report – Previous 30 Days

- Connect2Care – live since 11/1 with massive uptake (acute peds); wider rollout to follow
- SJ Health Manteca – DHCS has approved site, PPS rate established, opening date TBD pending County HR
- SJ Health Lodi – site identified; rough design work completed; negotiating lease terms with landlord
- QIP – PY5 QIP concessions proposal to DHCS/CMS being advanced by CAPH/SNI; PY6 begins 1/1/23
- Mobile Health Center – successful appeal to DHCS re: mobile enrollment
- Staffing – working with County HR on a variety of existing vacancies as well as those positions required by our strategic plan (growth/diversification of service lines) and novel funding opportunities (CalAIM, grants, others)
- Strategic plan implementation
 - Three-year plan; Total effort: 74 projects with 14 project owners



Happy Holidays! The entire SJ Health leadership team deeply appreciates our Board Members and their contributions. Looking forward to a prosperous 2023 for SJ Health!